

16 October 1981

MEMORANDUM FOR THE RECORD:

SUBJECT: Countering the Threat from Libya

1. On 14 October 1981 the undersigned attended a meeting in the office of State Department Counselor Robert C. McFarlane, who was interested in exploring additional measures which might be taken against Libya in the wake of the Tripartite Summit in Aden and the assassination of President Sadat. A working paper which McFarlane presented to the meeting is attached. (The participants at the meeting are listed in the working paper.)

2. As can be seen from the attached paper, consideration is being given to imposing a U.S. embargo of Libyan oil. Also discussed at the meeting was the idea of pulling out U.S. oil advisors and technicians from Libya. As a backdrop to the decision making process on these two issues, McFarlane would like to have from the Agency an analysis of Libyan capabilities, intentions, and vulnerabilities, specifically a) what are Qadhafi's economic vulnerabilities; b) what would be the effect of a U.S. embargo of Libyan oil; and c) what would be the effect of a pullout of U.S. oil personnel from Libya.

3. As can be seen from the attached paper, actions contemplated vis-a-vis Libya are broken down into four main categories: exploiting Libyan vulnerabilities (chiefly an embargo on Libyan oil); improving local defenses (i.e., enhanced security assistance to threatened states around Libya); U.S. military strategy against Libya; and, an information campaign to achieve public, congressional and foreign support. Action in these four areas is as follows:

State/NEA/AF together with CIA (Vulnerabilities);
State/PM and DoD/OSD (Local-Defense);
DoD/JCS/OSG (Military Strategy); and,
State/SP and State/NEA/AF (Information Support).

Action Required: Will pass on to Director/NFAC and NIO/NESA McFarlane's above request for an analysis of Libyan capabilities, intentions and vulnerabilities.

State Dept. review completed

Chief, Near East and
South Asia Division

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Attachment: As stated

SECRET

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